

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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SIDNEY GORDON and JEFFREY TAUBER, :

Plaintiffs, :

-v- :

SONAR CAPITAL MANAGEMENT LLC et al., :

Defendants. :

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JED S. RAKOFF, U.S.D.J.

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11-cv-9665 (JSR)

ORDER

Plaintiffs in this putative class action assert claims for violations of the federal securities laws against Sonar Capital Management LLC ("Sonar"), Sonar's Chief Executive Officer, Neil Druker, and three hedge funds managed by Sonar, namely Sonar Partners LP, Sonar Institutional Fund LP, and Sonar Overseas Fund Ltd. (collectively, the "Sonar Defendants"), as well as claims for fraudulent transfer and unjust enrichment against certain investors in the Sonar-managed hedge funds who allegedly redeemed their interests in the funds following the public disclosure of Sonar's securities law violations (collectively, the "Investor Defendants").¹ At a status conference on December 23, 2014, the parties agreed to bifurcate trial in this action, with plaintiffs' claims against the Sonar Defendants to be tried first (the "First Trial"). On December 30, 2014, the Court entered a new Case Management Plan ordering

¹ Another named defendant, Primary Global Research LLC ("Primary Global"), has filed for protection under the federal Bankruptcy Act and hence all proceedings in this case against it are automatically stayed. Third Amended Complaint dated Dec. 20, 2014, ¶ 21. On June 6, 2013, the Court approved a class settlement between plaintiffs and Noah Freeman, a Managing Director of Sonar who was originally named as a defendant in this action. See ECF No. 73.

that the case be ready for trial on April 21, 2015 and setting the trial date for April 27, 2015. See ECF Dkt. No. 107. The Court has not entered a Case Management Plan regarding plaintiffs' claims against the Investor Defendants.

Accordingly, the Court hereby confirms that proceedings in this case will be bifurcated and that the Case Management Plan entered on December 30, 2014 applies only to plaintiffs' claims against the Sonar Defendants. Plaintiffs' counsel and counsel for the Investor Defendants are ordered to jointly call chambers within two weeks after the conclusion of the First Trial to schedule further proceedings.

SO ORDERED.


JED S. RAKOFF, U.S.D.J.

Dated: New York, New York
February 11, 2015